

# Transparency

## Past Present Future

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**Need for Standards**

1934 SEC

- Regulated the securities markets
- Delegated accounting and reporting standards
- Government entities are sovereign: the SEC does not regulate

State and local standards recommended  
National Committee on Municipal Accounting  
Became GFOA Government Finance Officers Association

Principles of Municipal Accounting  
Predecessor to the CAFR  
By 1946 government began producing CAFRs

FAT Financial Accounting Foundation  
FASB Financial Accounting Standards Board

1948 National Council on  
Government Accounting

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1968 NCGA issues GAAFR  
Blue Book – Government  
Accounting, Auditing and  
Financial Reporting

1974 AICPA Audit of  
State and Local  
Government Units

By the 1970's the CAFR  
became the nationwide  
paradigm for local  
government reporting

The 1970s were perhaps the worst decade of most industrialized countries' economic performance since the Great Depression

Frum, David (2000). *How We Got Here: The '70s*. New York: Basic Books. pp. 292–293. ISBN 0-465-04195-7

1977 Foreign Corrupt Practices Act  
Addressed accounting transparency  
requirements under SEC Act of 1934 and  
made bribery of foreign officials unlawful

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1982 Federal Managers Financial Integrity Act  
Prescribes standards of internal control  
Agency heads must evaluate annually and  
report weaknesses and corrective plans

Single Audit Act of 1984 amended in 1996

- Requires audits of state and local governments receiving federal financial assistance
- Determine whether recipient has adequate internal controls to operate effectively and efficiently

1984 FAF created GASB  
Many complied with GASB

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1993 GPRA  
Government Performance and Results Act

- 5 year strategic plans
- Annual performance plan
- Annual performance report

1995 OMB, Secretary of the Treasury and Comptroller General (GAO)  
Memorandum of understanding established  
FASAB Federal Accounting Standards Advisory Board

1997 SFFAS 4 Managerial Cost  
Accounting Standards and Concepts

To provide reliable and timely  
information on the full cost of  
federal programs, activities and  
outputs

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CFO and Federal Financial Reform Act of 1990  
Required ten largest federal agencies to prepare annual audited financial statements

1994 Government Management Reform Act: an additional 24 federal agencies are required to have audited financial statements

2002 Accountability of Tax Dollars  
Annual audit of all federal agencies

2002 Sarbanes-Oxley Act: publicly traded companies  
Management must include and assessment of the effectiveness of internal controls for financial reporting. The auditor must attest to and report on the management assessment.

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## Accountability & Transparency

"These dollars are different." "Go above and beyond"

- Internal state agency reviews by State Accounting Division
- Monitoring visits by federal agencies
- Federal agency inspector general taking a proactive rather than reactive role
- State of Nebraska Auditor of Public Accounts

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## April 6, 2010 White House Memo

- Directs federal agencies to further intensify their efforts to improve reporting compliance.
- Detailed enforcement actions, where authorized and appropriate
  - Terminating awards
  - Suspension & debarment
  - Reclaiming funds
  - Punitive actions

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## USA Spending .gov

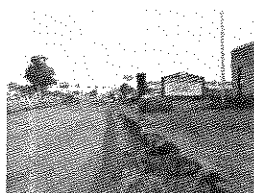
Federal Funding Accountability and Transparency Act of 2006 (Transparency Act)

- Beginning October 1, 2010, federal agencies will be required to report sub-award information.
- In May, 2010 OMB to issue interim final guidance requiring federal agencies to add a new standard award term and conditions on the collection and reporting of sub-grant information through the first-tier sub-recipient.
- In July, 2010 OMB will issue enterprise architecture for system design.

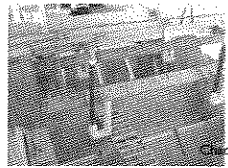
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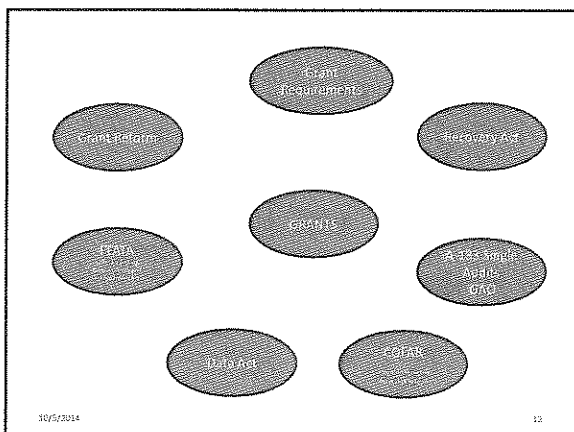
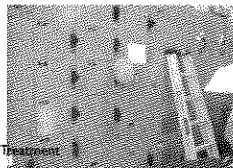
Missouri River Bridge Omaha at 13th Street




Highway 30 Columbus



Chadron Water Treatment



Reform of Federal Policies Relating to Grants and Cooperative Agreements, Cost Principles and Administrative Requirement (Including Single Audit Act)



[http://www.whitehouse.gov/omb/grants\\_docs/proposed](http://www.whitehouse.gov/omb/grants_docs/proposed)

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<p><b>CAFR</b></p> <ul style="list-style-type: none"> <li>• Financial Section             <ul style="list-style-type: none"> <li>– Auditor's Report</li> <li>– MD&amp;A Management Discussion &amp; Analysis</li> <li>– Basic Financial Statements</li> <li>– RFI Required Supplemental Information</li> <li>– Combining Statements</li> </ul> </li> </ul>	<p><b>CCR</b></p> <ul style="list-style-type: none"> <li>• Page 1             <ul style="list-style-type: none"> <li>– Description of organization</li> </ul> </li> <li>• Page 3             <ul style="list-style-type: none"> <li>– Revenues</li> <li>– Expenditures</li> </ul> </li> </ul>
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<p><b>CAFR</b></p> <ul style="list-style-type: none"> <li>• Statistical Section             <ul style="list-style-type: none"> <li>– Financial trends information</li> <li>– Revenue capacity information                 <ul style="list-style-type: none"> <li>• Revenue base</li> <li>• Revenue rates</li> <li>• Principle revenue payers</li> <li>• Largest revenue payers</li> </ul> </li> </ul> </li> </ul>	<p><b>CCR</b></p> <ul style="list-style-type: none"> <li>• Page 1             <ul style="list-style-type: none"> <li>– Key basic trends</li> </ul> </li> </ul>
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<p><b>CAFR</b></p> <ul style="list-style-type: none"> <li>• Debt Capacity Information             <ul style="list-style-type: none"> <li>– Ratios of outstanding debt</li> <li>– Direct and overlapping debt</li> <li>– Debt limitations</li> <li>– Pledged revenue coverage</li> </ul> </li> <li>• Demographic and Economic Information             <ul style="list-style-type: none"> <li>– Current year</li> <li>– Nine years history</li> </ul> </li> </ul>	<p><b>CCR</b></p> <ul style="list-style-type: none"> <li>• Page 1             <ul style="list-style-type: none"> <li>– Key basic trends</li> </ul> </li> <li>• Page 4             <ul style="list-style-type: none"> <li>– Challenges and strategies</li> </ul> </li> </ul>
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<p><b>CAFR</b></p> <ul style="list-style-type: none"> <li>• Operating Information             <ul style="list-style-type: none"> <li>– Number of government employees</li> <li>– Operating indicators</li> <li>– Capital asset information</li> </ul> </li> <li>• Narrative Explanations             <ul style="list-style-type: none"> <li>– Objectives</li> <li>– Basic concepts</li> <li>– Identify relationships</li> <li>– Atypical trends and abnormalities</li> </ul> </li> </ul>	<p><b>CCR</b></p> <ul style="list-style-type: none"> <li>• Page 1             <ul style="list-style-type: none"> <li>– Key basic trends</li> </ul> </li> <li>• Page 2             <ul style="list-style-type: none"> <li>– Areas of emphasis</li> </ul> </li> <li>• Page 4             <ul style="list-style-type: none"> <li>– Challenges and strategies</li> </ul> </li> </ul>
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Popular Reports

- Summary Financial Information
- User Friendly
- Specific Area of Interest

Area	Percentage
Public Safety	28%
Public Utilities	27%
Transportation	10%
Parks, Recreation & Human Services	15%
Community Development	8%
Overlaid City Administration	9%
Interest on Long-term Debt	3%

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**Page 1: Strategic Objectives**

What are we chartered (required) to do Demographics  
Include information about the community

- Per capita income
- Number of government workers
- Unemployment
- People—coming & going
- Firms—coming & going

**Idea**  
Include a brief Table of Contents on Page 1 so that the reader can see what is included on subsequent pages.

**Note**  
All information presented should be done on a per capita basis. This will be more meaningful to each individual citizen.

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**Page 2: How Are We Doing—A Performance Report on Key Missions and Service**

Governments are encouraged to obtain input from citizens on what measures they would like to see included in advance of producing this report. Report on nonfinancial outcomes (not inputs or outputs) for three or four of the government's key missions or services of most relevance to citizens. This should include comparisons to past years' outcomes, to articulated targets, where applicable, and to similar jurisdictions where possible. Missions and services and their associated outcome measures might include some of the following:

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Mission or Service	Possible Outcome Measures
<b>Public safety</b>	<ul style="list-style-type: none"> <li>• Crimes committed per 100,000</li> <li>• Percentage of crimes cleared, fire-related deaths, fire-related property loss</li> </ul>
<b>Schools</b>	<ul style="list-style-type: none"> <li>• Fraction of students performing at grade level on standardized test, high school graduation rate</li> </ul>
<b>Public health</b>	<ul style="list-style-type: none"> <li>• Mortality rate</li> <li>• Morbidity rate</li> </ul>
<b>Roads</b>	<ul style="list-style-type: none"> <li>• Percentage of road miles rated acceptably smooth</li> <li>• Percentage of streets rated acceptably clean</li> </ul>
<b>Parks and recreation</b>	<ul style="list-style-type: none"> <li>• Usage rate</li> <li>• Customer satisfaction</li> </ul>
<b>Solid waste collection</b>	<ul style="list-style-type: none"> <li>• Percentage of scheduled collections missed</li> <li>• Customer satisfaction</li> </ul>

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Include a statement similar to this:

The measures reported on this page were included based on the input we received from a group of citizens from the community. What would you like to see reported on in this page? Please let us know by contacting XXX (include name, phone number and e-mail).

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### Page 3: What are the costs for servicing the citizens and how were those costs paid for?

Include revenue and cost data for major areas – marry this information with performance measures on second page (i.e., how many students were educated and how much it cost per capita)

- Use bar and pie charts to display cost and revenue data and compare to prior years whenever possible

Include a statement similar to this

An independent audit was conducted, resulting in a clean audit opinion. Complete financial information can be found on our website at [www.xyz.gov](http://www.xyz.gov).

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### Page 4: Challenges Moving Forward —What's Next? Future Issues?

- Include items specific to community (i.e., tax cuts or increases, closing of a major manufacturing facility, major new employer moving to area, etc.)
- Infrastructure Items

Optional Items to Include:

- Calendar of Upcoming Events
- Ask the reader if they like this report and is there any other information that they would like to see included
- Add the CCR logo to help AGA build the brand

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**AGA's Citizen-Centric Reporting (CCR) Initiative**[Completed Reports](#)[Content Guidelines](#)[Design Guidelines](#)[How to Construct a CCR](#)[Guide to Producing a Chapter CCR](#)[Certificate of Excellence Award Program](#)[CCR Communications](#)[AGA Case Challenge](#)[Webinar Re-Play: Why Your Leadership Should Produce a CCR](#)**Perspectives:**[AGA's Citizen-Centric Reporting Program and Government Transparency – Dennis D. McDonald, Ph.D.](#)[This Annual Financial Plan Says What – Justin Marlowe](#)[Learning to Love the Numbers of Government – Mark Funkhouser](#)[Are CAFRS Useless? – Jonathan Walters](#)[Giving Citizens Numbers They Can Understand – Mark Funkhouser](#)[http://www.apacgfm.org/Tools---Resources/Citizen-Centric-Reporting-\(CCR\).aspx](http://www.apacgfm.org/Tools---Resources/Citizen-Centric-Reporting-(CCR).aspx)

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**How to Construct a CCR**

Create your own CCR. It's easy. It's FREE. Let's get started.

**PC Users**

**Microsoft Word:** Also included in the file are Microsoft Excel formats (1997-2003 and later) of the revenue and expense charts.

**MAC Users**

**Adobe InDesign CS4 and CSS:** Includes EPS files for revenue and expense charts.

**Adobe InDesign CS5:** Includes EPS files for revenue and expense charts.

If you need a different CCR template format, contact the [Marketing & Communications Manager](#) at 703.684.6931, ext. 318.

[http://www.apacgfm.org/Tools---Resources/Citizen-Centric-Reporting-\(CCR\)/How-to-Construct-a-CCR.aspx](http://www.apacgfm.org/Tools---Resources/Citizen-Centric-Reporting-(CCR)/How-to-Construct-a-CCR.aspx)

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**Completed Citizen-Centric Reports**

AGA offers a Certificate of Excellence in Citizen-Centric Reporting for entities that prepare and distribute high-quality Citizen-Centric Reports.

To be eligible for the certificate, governments must incorporate into their report the program's high standards of content, visual appeal, readability, distribution and timeliness in reporting.

Submit your report to the program today.

[http://www.apacgfm.org/Tools---Resources/Citizen-Centric-Reporting-\(CCR\)/Completed-Citizen-Centric-Reports.aspx](http://www.apacgfm.org/Tools---Resources/Citizen-Centric-Reporting-(CCR)/Completed-Citizen-Centric-Reports.aspx)

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#### Tools & Resources Overview

AGA offers FREE, online ToolKits and guides to help financial professionals working at all levels of government do their jobs better. These resources are specifically designed to solve some of the most vexing management and accountability issues facing federal, state, local and tribal organizations today. Through our Partnership for Intergovernmental Management and Accountability and our collaboration with public and private industry partners, we strive to produce simple, useful resources that promote greater accountability, integrity and transparency within government organizations.



**Making Better Decisions: Leveraging Government Resources in Challenging Financial Times**  
Features a number of decision trees for use by officials at all levels of government in developing laws, regulations or guidance in a manner that enhances the likelihood of successful program performance and oversight.

<http://www.agacgfm.org/Tools---Resources/Overview.aspx>

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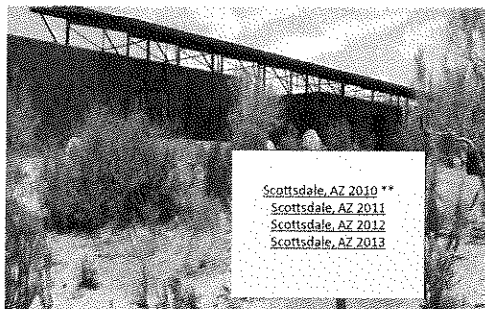
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Scottsdale, AZ 2010 \*\*  
Scottsdale, AZ 2011  
Scottsdale, AZ 2012  
Scottsdale, AZ 2013

[http://www.agacgfm.org/Tools---Resources/Citizen-Centric-Reporting-\(CCR\)/Completed-Citizen-Centric-Reports.aspx](http://www.agacgfm.org/Tools---Resources/Citizen-Centric-Reporting-(CCR)/Completed-Citizen-Centric-Reports.aspx)

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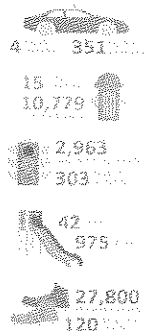
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#### Scottsdale Snapshot



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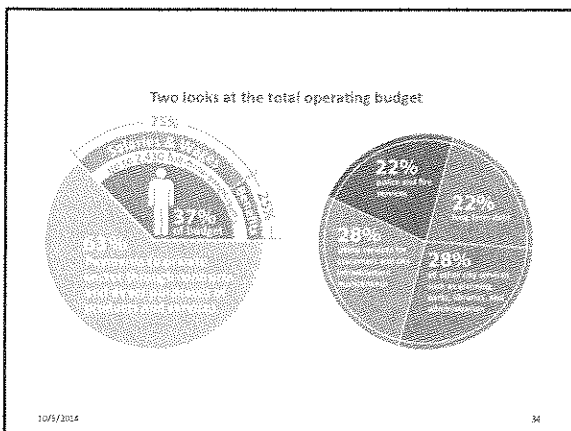
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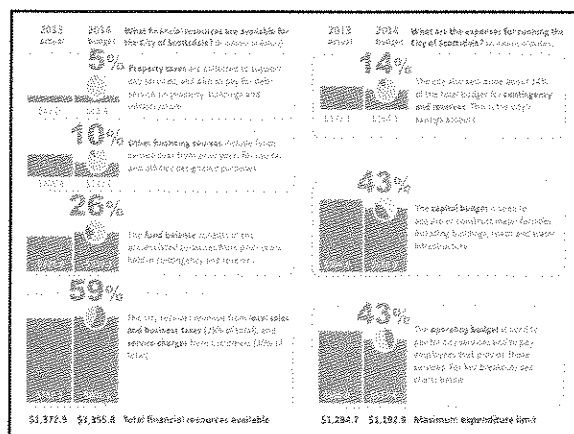
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## Sahuarita TOWN COUNCIL PLAN

In order to improve quality of life for our residents, the Town strives to be a forward thinking community that embraces and enhances its unique opportunities and characteristics. Our vision is one of a community where people want to live and raise families, with an economic engine that can sustain opportunities for their children, grandchildren, and great-grandchildren. The Sahuarita Town Council's goals focus on improving town services, particularly Development Services functions, enhancing our economic development opportunities with emphasis on a business-friendly mission and promoting a sense of community more specifically these goals include:

- Continuous quality improvement in delivery of Town services;
- Undertake a comprehensive review of codes related to business;
- Create a sense of place;
- Define the Town's role in the development of Town Center; and
- Define the Town's role regarding future water needs.

The guiding principles that direct the Town in implementing Council's goals are:

**Increase commitments for regional and local collaboration and partnerships;**

The Town is developing international relationships.

**Ensure that the Town's economic development goals and objectives are integrated into all Town services and communicated to all residents and businesses;**

The Town is working closely with its largest landholders and the development community for the growth of the Town Center. There was an open house on September 3, 2013 with partners participating on Sahuarita's, Pinal of Soto and the Sahuarita United School District to disseminate information and gather public input.

The Town of Sahuarita has a sister city relationship with Mexico. Representatives from Mexico came together Saturday, September 14th to share their history and of cross border collaboration. The Tourism, business development, arts, sports, and educational exchange.

Mayer Duane, Chamber and 1st of Magdalena, Mexico and 1st of Martinez, Mexico Sister City.

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**History: Incorporated in 1994**  
**Population: 26,875—July 2013**  
**Total Full Time Employees: 135**  
*The citizens of Sahuarita elect the Town Council to shepherd four year terms.*

**MAYOR:**  
 DIANE BLUMBERG

**VICE MAYOR:**  
 BILL BRACCO

**TOWN COUNCIL MEMBERS:**

KEVIN KELTON, CARL COOPER, CLAY CLARK, MELISSA SMITH, CHRIS MORRIS

*The Council elects a Mayor and Vice Mayor from its membership and appoints a Town Manager, a Town Registrar, and Town Attorney. The Town Manager appoints department heads to perform the day-to-day operations of the Town. Sahuarita continues to focus on public safety, create opportunities for fun and healthy activities, and maintain and expand Town infrastructure. These government functions are outlined on the following pages.*

*a safe environment and sustainable future, provide excellent public services to achieve a high quality of life while preserving community values and traditions.*

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## FINANCES

**Revenues FY 2013**  
**\$39.4 Million**

	FY 2012	FY 2013	FY 2014	FY 2015
<b>GENERAL GOVT</b>	\$4,157,894	\$4,223,630	\$4,413,044	\$4,517,215
Mayor & Council	517,200	517,200	517,200	517,200
Town Manager	1,640,000	1,657,850	1,664,000	1,664,000
Law	458,500	460,000	460,000	460,000
Town Clerk	240,275	240,240	240,240	240,240
Finance	229,540	243,775	243,775	243,775
Human Resources	130,250	134,750	134,750	134,750
Planning & Zoning	130,840	140,510	140,510	140,510
Utilities Maintenance	472,230	429,940	429,940	429,940
Other	196,060	157,800	157,800	157,800
Municipal Court	464,130	517,720	517,720	517,720
<b>PUBLIC SAFETY</b>	\$6,356,670	\$6,344,800	\$6,682,500	\$6,736,000
Police	\$5,400,000	\$5,440,000	\$5,440,000	\$5,440,000
Building Safety	368,710	354,800	354,800	354,800
Engineering	330,000	330,000	330,000	330,000
<b>STREETS</b>	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000

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## HOW ARE WE DOING?

### A Performance Report on Key Missions and Services

**38 Employees**

**GENERAL GOVT**

	FY 2012	FY 2013
Avg Resident property value of Sahuarita compared to Tucson Metro (2010) Sahuarita has higher avg value	\$11.8	\$14.4
Commercial Value as % of total property value	6.2%	6.4%
Number of business licenses issued	1,126	1,158
Court cases reported	626	11,000

*See Town page for in general courts, judicial system, and criminal justice services.*

**PUBLIC SAFETY**

	FY 2012	FY 2013
Average response time to emergency calls (in minutes) (annual)	5:24	5:15
Crimes reported per 1,000 citizens	407.0	405.8
New building permits issued by Building Safety	247	261

*See Town page for building inspection, enforcement of codes through department staff.*

**STREETS**

	FY 2012	FY 2013
# of streets with street lighting maintenance	3,707	1,315
Number of traffic signal devices in operation	296	209
% of pavement issues reported 1% or less	37.16%	28.16%

**61 Employees**

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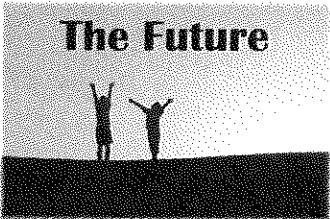
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# The Future



Your CCR report needs a champion to guide it through the creation process and the approval process. It can become a valuable link on your website and a useful promotional piece at public gatherings or informational meetings.

Cindy Miserez CGFM MBA  
[cmiserez@cox.net](mailto:cmiserez@cox.net)  
402-850-8553

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